



AFRICAN UNION COMMISSION



ECONOMIC COMMISSION FOR
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AFRICAN DEVELOPMENT BANK
GROUP

Concept Note

**Enhancing awareness and engagement among the three
JSIs (AUC, ECA, AfDB) and the ILO in the
implementation of Joint Youth Employment Initiative for
Africa (JYEIA)**

I-Background and Context

With 20.4% of Africa's population between the ages of 15 and 24, Africa is the youngest continent in the world. The changing demographics is transforming the economic, social and political landscape of African countries with an increasing pressure to create new and better jobs over the coming decades. Overall in Africa, despite impressive annual economic growth rates in recent years, there has not been a sufficient increase in stable employment opportunities for young people. High unemployment rates across the African continent coupled with low labour productivity in the informal sector, where the majority of youth work, reinforces income inequality that in turn undermines the pace of economic growth and social and political stability.

In 2012, there were 15 million young people that were unemployed in Africa.¹ Both in Sub-Saharan Africa (SSA) and North Africa, youth constitute a very large share of the total unemployed at 43.3 % and 51.2% respectively. This implies that although young people constitute around two fifths of the continent's working age population, they make up three fifths of the total unemployed.²

While youth unemployment in Africa remains a key concern, an even greater challenge is the prevalence of decent work deficits. Because of a number of disadvantages, including low skills, lack of work experience, limited access to networks as well as small formal economies, many young workers are engaged in low productivity and poor quality jobs. As a result, 72% of the youth in Africa live with less than US\$2 per day.³ Some groups of youth such as those in rural areas, urban slums, fragile and conflict affected states as well as young women and youth with disabilities face more difficulties in acquiring decent jobs and are often engaged in vulnerable employment. There are also increasing numbers of educated African youth that face obstacles in finding gainful employment. The potential consequences of the tension between an increasing output of educated and trained young people and the limited absorptive capacities of labor markets has been illustrated by the recent wave of discontent sweeping North Africa.

The root causes of youth unemployment and underemployment in Africa are both demand and supply side factors as well as factors pertaining to the mismatch between the two. On the demand side, the impressive GDP growth rate has not translated into a significant change in employment opportunities for the majority of Africans because the structure of many African economies is unbalanced and unable to deliver labor intensive and inclusive growth. Lack of an enabling environment for investment and private sector development is also an essential demand side factor. Doing business in Africa continues to have a higher transaction cost than elsewhere and Africa's share of global foreign direct investment remains low (at about 5 percent⁴). Therefore, the continent continues to miss out on employment-generating opportunities that accompany such investment flows. Moreover, private sector promotion strategies are not sufficiently geared towards encouraging labour intensive approaches and investment in labour intensive sectors. There are also pervasive challenges for youth entrepreneurship and self-employment. Most young people face difficulty in accessing affordable financing because of lack of collateral, lack of credibility and lack of social capital.

¹ILO, 2014, Global Employment Trend.

²AfDB, ECA, OECD and UNDP ,2012

³ World Bank.2008/2009

⁴United Nations – Policy Brief of October 2010

The lack of a culture of entrepreneurship, combined with the lack of appropriate skills to run business also continue to be major impediments for African youths.

II- The Imperative for a Coordinated Approach to the JYEIA

The Joint Youth Employment Initiative for Africa (JYEIA) was initiated jointly by the African Union Commission (AUC), the UN Economic Commission for Africa (ECA), the African Development Bank (AfDB), and the International Labour Organisation (ILO). The initiative was launched against the background of serious and ever-worsening unemployment and underemployment problems faced by young people in most African countries and the urgent need to develop and deploy strategies that would enable Africa to reap the potential benefits offered by its huge youthful population (Africa being indeed one of the youngest continents), in what is popularly described as the demographic dividend.

The JYEIA emerged as a response to the call by African Heads of State and Government at their Summit in Malabo in July 2011 for all stakeholders to tackle more decisively, the youth employment challenge in Africa. It is also part of the follow-up to the 2004 Ouagadougou Declaration and Action Plan to the same effect. The JYEIA seeks to add value to ongoing youth employment initiatives on the continent by combining in its work the comparative advantages and strengths of its four founding member institutions – AUC, ECA, AfDB and ILO. The mandates and expertise of the four, together, cover the whole range of areas critical to effective action: political clout and advocacy capacity; analytical and policy-design expertise; financial resources and instruments; technical expertise in labour and employment; as well as experience in project and programme implementation.

The overall objective of the JYEIA is to increase and improve youth employment in Africa. The initiative envisages three main areas of intervention with specific objectives:

- i) *Policy support:* Youth employment is fully integrated in policy and planning frameworks at national, sub-regional and regional levels
- ii) *Implementation support:* National, sub-regional and regional youth employment plans and policies are effectively implemented for wider impact
- iii) *Knowledge for Informed Action:* Generation, analysis and use of information on youth employment challenges and responses have improved.

It is envisaged that JYEIA would be operationalized at the country, sub-regional, and regional levels, with particular emphasis on the country level. The main partners of the initiative at the national level are Governments, while the RECs are the primary partners at the sub-regional level. At all the three levels, however, the involvement of all relevant stakeholders in consultations as well as implementation is essential. At inception, the understanding was that, while the JYEIA would subsequently cover the entire continent, the coverage of countries and sub-regions in the work of the initiative will be gradual/progressive, in function of the gradual development of experience and capacity, as well as the resources available to the JYEIA.

III. The Challenges of Implementation

Commendable efforts have been deployed at various levels to operationalize the JYEIA and to actualize its objectives. Unfortunately however, the implementation of the initiative has not worked as smoothly as had been envisaged because of a number of factors.

Firstly, there has been a lack of proper coordination of the actions and interventions of the parties, itself arising from the failure to endorse a Joint Programme Document. Although one of the initiative's principal aims is to build on the distinctive competencies of the constituting partners for value addition in developing youth employment strategies, evidence on the ground suggest that actions have usually been undertaken separately. For example, ECA and ILO working under the umbrella of the initiative provided technical assistance, as well as financial support to Senegal and Burkina Faso for studies and planning on youth employment. On the other hand, AfDB has collaborated with ILO to build the Bank's capacity in integrating employment related issues in its operations. The AfDB also funded various employment projects in a number of countries including Côte d'Ivoire, Mauritania, Rwanda, Senegal and Zimbabwe. Equally significant is the fact that the meetings of the Steering Committee of JYEIA have not been held as regularly as envisaged.

Secondly, there have been new developments, such as the adoption by African leaders during the January 2015 Summit of the AU of a "Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development," which have created impetus for an urgent review of JYEIA to better align it to the provisions of these new strategic policy instruments. Similarly, some of the founding parties to the JYEIA have undertaken internal restructuring, including adopting new institutional orientations, which call for a realignment of the JYIA. This for example is the case of the AfDB, which since the signing of the Declaration of Intent in September of 2013, has undergone a number of changes, such as the development of organizational strategic directions that could further strengthen the efforts of the JYEIA. These include the Ten Year Strategy (2013-2022); the Gender Strategy (2014-2018) and the Human Capital Strategy (2014-2018). Most other sector strategies reflecting operational priorities of the Bank actually seems to have direct, indirect or induced contribution to job creation and youth employment (Private sector development; Agriculture; Infrastructure; Governance). The same could be said of the Economic Commission for Africa, which embarked on a far-reaching recalibration exercise, which saw the dissolution of some units and the establishment of new ones, including the setting up of full-fledged Social Development Policy Division, with a unit on Employment and another on Youth.

Thirdly, there have also been important changes at the Joint Secretariat Support Office, including the replacement of the pioneer Coordinator with a new one, as well as the permutation of staff with attendant implications on follow-up actions on the JYEIA.

Put together, these developments warrant a serious conversation among various stakeholders with the view not only to better manage the new dynamics they have introduced, but also to revive the momentum that generated by the initiative at its inception.

IV-Rationale and Objectives of the meeting

It is against these background that relevant staff from the JSIs and ILO have initiated a conversation in the last couple of months the overall goal of examining ways of reviewing JYEIA and evolving strategies and mechanisms that would guarantee its effective implementation, as well as alignment to the African Heads of State Declaration and Plan of

Action on Employment and Poverty Eradication. This meeting is part of this exercise and it is intended to continue the ongoing dialogue aimed at enhancing the awareness and engagement of the three institutions in the implementation of the Joint Youth Employment Initiative.

More specifically, the meeting at:

- Reviewing the progress of implementation of the Joint Youth Employment Initiative and from this assessment, develop a common vision on a youth employment development programme in Africa, which would be aligned with the AU Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development;
- Agreeing on designing of strategies for dissemination and popularisation of the initiative and identification of champion governments to ensure systematic, continued and consistent engagement of the states in the implementation of the Youth Employment Initiative programme, with a regional perspective involving the RECs;
- Preparation of a partnership meeting for resource mobilisation in support of Joint Youth Employment Initiative, with a key element being the preparation of Youth and Women employment priority for the 5 Year Priority Programme on employment, poverty eradication and inclusive development.

IV- Expected participants

Participants will be drawn from: ILO; ECA; AUC Departments (DSA, HRST, DREA for rural employment, Infrastructure and Energy; Gender. P&S); AfDB; JSSO; as well as:

- Representative of the Youth and Employment of the 5 Year Priority Programme
- Representatives of the REC coming from the RECs Coordination Unit at the AUC
- Representative of JSSO
- Resource persons (Facilitator/Rapporteur) identified by ILO/AUC

V- Methodology of the workshop

- The workshop will be held in plenary sessions
- Plenary sessions will be supported by short presentations by ILO, AUC, ECA, AfDB, as well as representatives from Senegal and Burkina Faso (sharing national experiences) followed by discussions
- It will be facilitated by a facilitator, and will be assisted by a rapporteur
- Organisers will encourage gender balance participation in the meeting
- The facilitation will encourage equal contribution of all participants to the discussion.

VI- Draft Agenda of the meeting

- Review of the progress of the implementation of the Joint Youth Employment Initiative;
- Assessment and development of a common vision on youth employment;
- Strategies for dissemination and popularisation of the programme;

- Identification of pilot countries and RECs;
- Preparation of a partnership meeting.

VII-Logistics

JSSO will cater for economy class air ticket and DSA for participants who will be coming from outside the venue (Addis Ababa/Debre Zeith) of the meeting, specifically, from the Pilot Study countries of Senegal and Burkina Faso. JSSO will make arrangements to shuttle participants from the ECA premises in Addis Ababa to Debre Zeith and back. It will also cater for participants' accommodation for two days in Debre Zeith.

The working languages for the Retreat will be English and French.

VIII- Date and Venue of Meeting

The meetings will take place on the 24th of September 2015 at Kuriftu Resorts in Debre Zeith, a few kilometres from Addis Ababa, Ethiopia. Participants are expected to depart Addis on the evening of 23 September and to return to Addis on the morning of 25th September.

IX- Contacts

All communication on the Retreat should be addressed to:

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